United Nations A/61/811

General Assembly

Distr.: General
16 March 2007

Original: English

Sixty-first session
Agenda items 115 and 132

Financial reports and audited financial statements, and reports of the Board of Auditors

Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Report on the implementation of the recommendations of the Board of Auditors concerning United Nations peacekeeping operations for the financial period ended 30 June 2006

Report of the Secretary-General

Summary

The present report provides additional information in response to the recommendations of the Board of Auditors as contained in its report on the United Nations peacekeeping operations for the period ended 30 June 2006 (A/61/5 (Vol. II)). The report is submitted in accordance with paragraph 7 of General Assembly resolution 48/216 B, in which the Secretary-General was requested to report to the Assembly at the same time as the Board of Auditors submitted its recommendations to the Assembly on measures taken or to be taken to implement those recommendations.

The Administration has concurred with many of the Board's recommendations and most of the comments of the Secretary-General have been duly reflected in the report of the Board. Therefore, in an effort to reduce redundancy and streamline documentation, the present report provides additional comments from the Administration only where required, as well as information on the status of implementation, the office responsible, the estimated completion date and the priority for each recommendation contained in document A/61/5 (Vol. II). In addition, the present report contains an updated status of the implementation of the recommendations of the Board relating to prior periods that were anticipated to be implemented prior to the end of 2006.

07-27457 (E) 170407

I. Introduction

1. In paragraph 7 of its resolution 48/216 B, the General Assembly requested the Secretary-General to report to it on the measures that would be taken to implement the recommendations of the Board of Auditors at the same time that the report of the Board was submitted to the Assembly. Accordingly, the present report is submitted in response to the recommendations of the Board contained in its report on the accounts of the United Nations peacekeeping operations for the 12-month period ending 30 June 2006.[1]

2. In preparing the present report, account was taken of the provisions of the following General Assembly resolutions:

(a) Resolution 52/212 B (in particular paras. 2-5) and the note by the Secretary-General transmitting the proposals of the Board for improving the implementation of its recommendations approved by the Assembly (A/52/753, annex);

(b) Resolution 60/234 B, in which the Assembly, in paragraph 7, re-emphasized the requirement of inclusion by the Secretary-General in future reports of information on the setting of time frames, the identification of office-holders and priorities for implementation and, in paragraph 8, requested the Secretary-General to provide a full explanation for delays in implementation of the recommendations of the Board for prior periods.

3. With regard to prioritization, the Administration noted that the Board had categorized 28 of the 63 recommendations as "main" recommendations. While all accepted recommendations of the Board will be implemented in a timely manner, these main recommendations will be considered to be of the highest priority. Tables 1 and 2 below summarize the status of implementation of recommendations as at March 2007.

Table 1
Status of implementation of main recommendations

Department responsible	*Number of recommendations*	*Not accepted*	*Implemented*	*In progress*	*Target date set*	*No target date*
Department of Peacekeeping Operations	22	1	11	10	7	3
Department of Management	5	1	1	3	3	
Department of Peacekeeping Operations and Department of Management	1			1		1
Total	**28**	**2**	**12**	**14**	**10**	**4**

[1] *Official Records of the General Assembly, Sixty-first Session, Supplement No. 5* (A/61/5), vol. II, chap. II.

Table 2
Status of implementation of all recommendations

Department responsible	*Number of recommendations*	*Not accepted*	*Implemented*	*In progress*	*Target date set*	*No target date*
Department of Peacekeeping Operations	48	2	18	27	19	8
Department of Management	12	2	2	8	6	2
Department of Peacekeeping Operations and Department of Management	2		1	2	1	1
Total	**62**	**4**	**21**	**37**	**26**	**11**

II. Implementation of the recommendations contained in the report of the Board of Auditors for which the Administration provides further comments

4. In paragraph 29 of its report[1] the Board noted that a provision for delays in collection or non-payment of assessments would provide for a "fairer" presentation of financial statements. In paragraph 31, the Board noted application of the accounting basis of prudence and substance over form would necessitate "improved" accounting and disclosures. The financial statements are prepared in accordance with the United Nations system accounting standards, the Financial Regulations and Rules of the United Nations and legislative authority. In this respect the Administration notes that the Board has stated in its audit opinion that the financial statements were presented "fairly" in accordance with these standards. Therefore, it appears to the Administration that the comments in paragraphs 29 and 31 of the Board's report are not fully aligned with the Board's audit opinion in chapter III.

5. Further, it appears that the comments with respect to fairness and improved accounting and disclosures are based on the Board's application of accounting standards that do not yet apply to the United Nations. The Administration notes that the accounting standards that currently apply — the United Nations system accounting standards — do not require that a provision be made for delays in collection of assessments, but only requires that the policy in respect thereof be disclosed in the notes to the financial statements. In accordance therewith, the Administration has disclosed in note 2 (l) (iii) that assessed contributions represent legal obligations of contributors, and that it is the policy of the United Nations not to make a provision for delays in collection of such receivables. Therefore the financial statements are prepared in full compliance with standards that are currently applicable, and Administration considers that comments with regard to fairness and improved accounting and disclosures may not be appropriate at present.

6. In paragraph 33, the Board expressed its concern with the level of unpaid assessments although it had decreased by 23.5 per cent for the current period, in particular for completed missions, because of the uncertainty of recovery. The Administration notes that the Board's views on this matter were also referred to in

paragraph 41 of its report for 2004/05.[2] The Administration's comments are noted in paragraph 136 below.

7. **In paragraph 45 of its report for 2005/06, the Board recommended that the Department of Peacekeeping Operations ensure: (a) strict adherence to financial rules 105.7 to 105.9 as they relate to the criteria for recognition of unliquidated obligations; and (b) that obligations were duly certified and approved by authorized officials.**

8. The United Nations Operation in Côte d'Ivoire (UNOCI) has discontinued the use of internal purchase orders. However, UNOCI confirmed that all obligations recorded in the accounts as at 30 June 2006 were based on valid contracts that were concluded with vendors. UNOCI will ensure that contracts are signed in a timely manner.

Department responsible: Department of Peacekeeping Operations
Status: Implemented
Priority: High
Target date: Not applicable

9. **In paragraph 50, the Board recommended that the Administration expedite the submission of the proposal on consolidation of accounts that would permit the settlement of long-outstanding accounts payable in the accounts of closed missions with cash deficits.**

10. The Administration notes that it has already submitted its report to the General Assembly at its sixtieth session on the consolidation of peacekeeping accounts (A/60/846/Add.3). The matter is still under review by the Assembly and, accordingly, there is nothing further for the Administration to expedite.

Department responsible: Department of Management
Status: Implemented
Priority: Medium
Target date: Not applicable

11. **In paragraph 53, the Board stated that, given that the United Nations accounting practice dictated that obligations be recorded as they occurred, it recommended that the Department of Peacekeeping Operations recognize the $202.8 million liabilities in the United Nations Peacekeeping Force in Cyprus (UNFICYP) books.**

12. The Board's recommendation does not take into account that the General Assembly had decided in its resolution 47/236 that the costs of UNFICYP for the period beginning 16 June 1993 that were not covered by voluntary contributions should be treated as expenses of the Organization to be borne by Member States. Therefore the Assembly decided that costs not covered by voluntary contributions prior to 16 June 1993 were not expenses of the Organization. This was also the policy as described by the Secretary-General in bulletin ST/SGB/UNFICYP/1, paragraph 16 of which states that the United Nations financial responsibility shall be limited to the amount of voluntary contributions received in cash or kind. Hence, as these were not expenses of the Organization for which the Organization has a liability, it would be incorrect to recognize them as such on the books. The

[2] Ibid., *Sixtieth Session, Supplement No. 5* (A/60/5), vol. II, chap. II.

Administration is not in a position to implement the recommendation as it is contrary to the General Assembly's decision on this matter.

Department responsible: Department of Management
Status: Not accepted
Priority: Medium
Target date: Not applicable

13. **In paragraph 65, the Department of Peacekeeping Operations agreed with the Board's recommendation to implement all petty cash controls.**

14. The four missions referred to in the Board's report (United Nations Mission in Ethiopia and Eritrea (UNMEE), United Nations Mission for the Referendum in Western Sahara (MINURSO), United Nations Observer Mission in Georgia (UNOMIG) and UNOCI) have reminded the petty cash custodians of the importance of full compliance with the provisions of the field finance procedure guidelines relating to the management of petty cash accounts. UNOMIG organized training in November 2006 for all petty cash custodians to improve their skills in the management of petty cash funds.

Department responsible: Department of Peacekeeping Operations
Status: Implemented
Priority: Medium
Target date: Not applicable

15. **In paragraph 76, the Board recommended that in line with General Assembly resolution 57/279 and to ensure a more equitable geographical distribution of procurement contracts the Administration identify obstacles that prevent the participation of developing countries and countries with economies in transition.**

16. Equitable geographical distribution in section 9.3.4 (2) of the United Nations Procurement Manual is in the context of solicitation of tenders, which relates to the requirement to increase procurement opportunities for vendors from developing countries and countries with economies in transition. Reference to equitable geographical distribution in the context of contract awards would be misleading, as there is no mechanism for contract awards on the basis of equitable geographical distribution in the Financial Regulations and Rules of the United Nations, as well as established procurement procedures. Action has been taken to explore additional ways to improve procurement opportunities for vendors from developing countries and countries with economies in transition as requested in General Assembly resolution 61/246. The report of the Secretary-General on the issue of procurement from developing countries and countries with economies in transition, which will provide analysis and explore additional ways to improve procurement for vendors from those countries, will be presented to the General Assembly at the second resumed part of its sixty-first session.

Department responsible: Department of Management
Status: In progress
Priority: Medium
Target date: Not applicable

17. **In paragraph 83, the Administration agreed with the Board's recommendation that it comply with the Procurement Manual in relation to maintaining vendor files.**

18. The unexpected resignation of the staff member responsible for the vendors' database at the United Nations Interim Administration Mission in Kosovo (UNMIK) accounted for the interruption in the updating of the vendors' roster. With the arrival of a new staff member, updating of the roster has resumed and the information in the vendor files is now current.

Department responsible: Department of Peacekeeping Operations
Status: Implemented
Priority: Medium
Target date: Not applicable

19. **In paragraph 86, the Board recommended that the Administration expedite the issuance of guidelines for the registration of local vendors in consultation with the missions.**

20. The guidelines for the registration of local vendors is expected to be completed by the end of 2007.

Department responsible: Department of Management
Status: In progress
Priority: Medium
Target date: Fourth quarter of 2007

21. **In paragraph 89, the Board reiterated its previous recommendation that the Department of Peacekeeping Operations monitor the submission of vendor performance evaluations to the Procurement Service.**

22. In addition to the comments provided in paragraph 90 of the Board of Auditors' report, MINURSO now enters locally issued contracts in the Mercury database and closely monitors the submission of the required contract performance reports with respective requisitioning sections.

Department responsible: Department of Peacekeeping Operations
Status: Implemented
Priority: High
Target date: Not applicable

23. **In paragraph 98, the Board recommended that the Administration comply with the guidelines of the Procurement Manual to ensure protection against the risk of default on deliveries.**

24. Contractors do not automatically need to be requested to increase the value of performance bonds when an amendment to increase the contract value is issued. For example, an amendment to extend a contract from one year to the second year does not necessarily require an increase in the value of the performance bond for the second year, since most of the contractual obligations for the first year must have been fulfilled by the time the contract is extended for the second year.

25. The requirement for vendors to indicate the maximum amount of a performance bond is used merely to judge their financial capacity at the time of registration. The value of a performance bond is known only when a vendor is

successful for a specific tender. No vendor can estimate the minimum amount of 10 per cent required for tender requirements prior to receiving the contract.

26. By the time the value of not-to-exceed amounts has been increased, a certain portion of the amount must have been consumed as a result of delivery of goods and services ordered prior to the increase of the not-to-exceed amount. The increase does not necessarily require an increase in the value of a performance bond. However, it is agreed that the term of a performance bond needs to be extended.

27. The relevant section of the Procurement Manual will be revised in 2007 to reflect the comments above.

Department responsible: Department of Management
Status: In progress
Priority: High
Target date: Fourth quarter of 2007

28. **In paragraph 108, the Board reiterated its previous recommendation that the Department of Peacekeeping Operations (a) ensure proper procurement planning, and (b) regularly monitor spending patterns to ensure compliance with procurement plans at the United Nations Stabilization Mission in Haiti (MINUSTAH) and UNMIK.**

29. Comments relating to MINUSTAH are reflected in paragraphs 107 and 109 of the Board's report. The Procurement Section of UNMIK now coordinates the inputs from the cost centres on the quarterly review of the Mission's acquisition plan. UNMIK closely monitors the process to ensure that its procurement activities are in compliance with the acquisition plan. Furthermore, as the acquisition plans of the missions are based on the approved budgets, they need no further approval by Headquarters. It is therefore not a requirement for the procurement plans to be submitted to the Department for approval.

Department responsible: Department of Peacekeeping Operations
Status: Implemented
Priority: High
Target date: Not applicable

30. **In paragraph 112, the Administration agreed with the Board's reiterated recommendation to identify and address the training needs of procurement officers at missions.**

31. In addition to the comments provided in paragraph 113 of the Board's report, training sessions have recently been conducted on best value for money for the chief procurement officers from the peacekeeping missions and offices away from Headquarters, as well as staff of the Procurement Service, the Headquarters Committee on Contracts, the Office of Internal Oversight Services and the Department of Peacekeeping Operations. This training will be available to procurement staff during 2007. Training policy, delivery and certification is being addressed as a matter of priority and a comprehensive training programme is being developed for delivery.

Departments responsible: Department of Management and Department of Peacekeeping Operations
Status: In progress
Priority: High
Target date: To be determined

32. **In paragraph 117, the Board recommended that the Department of Peacekeeping Operations ensure that all staff involved in procurement sign the declaration of independence.**

33. In accordance with the Secretary-General's bulletin ST/SGB/2006/6 of 10 April 2006, all staff members involved in procurement are required to submit an annual financial disclosure and declaration of interest statement to Headquarters. As of March 2007, only three procurement staff of the Department of Peacekeeping Operations had not provided the declaration, one of whom is from the United Nations Mission in Liberia (UNMIL). Follow-up action has been taken both by the Department and the Ethics Office to ensure that financial declaration forms are completed by all relevant staff members.

Department responsible: Department of Peacekeeping Operations
Status: In progress
Priority: Medium
Target date: Second quarter of 2007

34. **In paragraph 124, the Board reiterated its previous recommendation that the Administration monitor ex post facto submissions to ensure adequate justification and accountability for delays.**

35. As previously communicated to the Board, the records on all ex post facto cases are available at UNOCI. These cases irrespective of their values were submitted to the Local Committee on Contracts and where appropriate to the Headquarters Committee on Contracts for review and approval. Furthermore, the required justifications for the 11 cases noted by the Board were submitted to Headquarters in compliance with the Controller's memorandum dated 15 September 2005.

36. As confirmed by the Board in its report, MINUSTAH regularly monitors the ex post facto cases submitted to Headquarters. The existing tracking system at MINUSTAH makes it possible for the lead-times at each stage to be determined.

37. A field liaison team has been established to administer procurement cases submitted to Headquarters from the peacekeeping missions for review by the Headquarters Committee on Contracts. Recruitment of staff for another newly created section for planning, compliance and monitoring is ongoing. While the primary responsibility to monitor ex post facto submission rests with each peacekeeping mission, these new arrangements will contribute to minimizing ex post facto submissions caused by administrative delays.

Department responsible: Department of Management
Status: Implemented
Priority: High
Target date: Not applicable

38. **In paragraph 130, the Department of Peacekeeping Operations agreed with the Board's recommendation to comply with the governing rules on procurement related to the delegation of authority.**

39. The United Nations Military Observer Group in India and Pakistan (UNMOGIP) has advised that the post of Chief Procurement Officer has recently been filled and appropriate measures have been implemented to ensure full compliance with established procedures relating to procurement authority. At

UNOCI, the Chief Procurement Officer's sub-delegation of procurement authority to the Deputy has since been withdrawn.

Department responsible: Department of Peacekeeping Operations
Status: Implemented
Priority: Medium
Target date: Not applicable

40. **In paragraph 134, the Board recommended that the Department of Peacekeeping Operations strictly enforce the requirement for all contracts to be signed by the contracting parties before the delivery of services and ensure that the finalization of contracts is expedited.**

41. MINUSTAH has not concluded a written contract regarding the supply of aviation fuel because the contractual terms and conditions proposed by the vendor were not in compliance with the United Nations standard contract provisions. The Headquarters Committee on Contracts case for the provision of ground fuel to MINUSTAH was not considered and deferred at its meeting of 14 December 2006 owing to the fact that there was an ongoing investigation by the Procurement Task Force. The Administration is currently awaiting the conclusion of the Procurement Task Force investigation into the provision of ground fuel in order to proceed with the Headquarters Committee on Contracts case. Considering the indispensable nature of the requirements for aviation fuel and ground fuel for the Mission's operations, and the fact that the aviation fuel vendor is the sole supplier of aviation fuel in Haiti, the Mission has had no option but to continue with the vendor even without the benefit of a contract. The Mission received approval from the Department of Management in December 2006 to enter into direct negotiations with the sole source provider for the supply of aviation fuel in Haiti.

42. Regarding the conclusion of a travel contract at the United Nations Integrated Office in Burundi (BINUB), the United Nations Development Programme (UNDP), the lead agency for travel management services, is currently undertaking a bidding exercise to select a travel agent. Once the selection process is completed and a contract is in place, its terms will guide the travel services of BINUB.

Department responsible: Department of Peacekeeping Operations
Status: In progress
Priority: Medium
Target date: Second quarter of 2007

43. **In paragraph 150, the Department of Peacekeeping Operations agreed with the Board's recommendation that it monitor on a regular basis the submission of the aviation technical evaluation reports.**

44. The newly designed electronic aviation inspections and recommendations module has been implemented at the Department of Peacekeeping Operations and in missions that utilize air assets. The module allows the electronic compilation of reports on inspection and performance evaluation, carrier's assessment, occurrence and hazard as required by the Aviation Safety and Aviation Manuals. The system has created an environment where all field missions have the ability to provide complete, comprehensive and timely quarterly performance evaluation reports on

their respective air assets to Headquarters. The number of reports provided by the field missions through the module in 2006 has consistently increased.

Department responsible: Department of Peacekeeping Operations
Status: Implemented
Priority: High
Target date: Not applicable

45. **In paragraph 162, the Board reiterated its previous recommendation that the United Nations Organization Mission in the Democratic Republic of the Congo (MONUC) urgently review the cost effectiveness of its use of executive jets.**

46. The organization of the first democratic election in the Democratic Republic of the Congo by MONUC was an extremely labour-intensive event. As such, the Mission did not have the capacity to undertake the recommended cost-benefit analysis. During the resource and mode of transportation review that is scheduled for the second quarter of 2007, the fleet utilization and segment optimization of air assets deployed in MONUC, including the executive jets, will be undertaken.

Department responsible: Department of Peacekeeping Operations
Status: In progress
Priority: Medium
Target date: Second quarter of 2007

47. **In paragraph 172, the Board recommended that the Department of Peacekeeping Operations enforce the vehicle rotation policy.**

48. The Department of Peacekeeping Operations concurs with the importance of having an effective system of rotation of vehicles in the same category. It regularly reminds the missions of this important responsibility so that established practices and guidelines are adequately implemented (where possible and feasible), giving due consideration to the specification of the vehicles and to the location or terrain profile of deployed assets. However, other practical operating factors must be considered in implementing the policy. For example, the vehicles used by the civilian police are fitted with various additional forms of communication and safety and recovery equipment, and have unique colour coding for their identification, as opposed to standard vehicles utilized by a civilian personnel section. While it is understandable that these assets are recorded to exist in the same category, effective rotation policies must consider that like-for-like rotation goes beyond generic classification and may result in an imbalance. Another important consideration for the vehicle rotation policy is the distribution of vehicles over the mission area and the cost of rotation of vehicles. The vehicles in remote locations have fewer rotations as the only mode to move the vehicles is by air. Furthermore, vehicle rotation must also take into consideration the terrain profile of a vehicle wherein vehicles with a harsh terrain profile and with lower kilometres may require rotation before a higher mileage vehicle that has a bitumen profile.

49. The policy is being enforced to the extent possible and feasible, and therefore a target date is not required.

Department responsible: Department of Peacekeeping Operations
Status: In progress
Priority: High
Target date: See comments above

50. In paragraph 184, the Department of Peacekeeping Operations agreed with the Board's recommendation that it investigate the cause for the discrepancies and errors contained in the reports generated from CarLog and Fuel Log and implement the measures to rectify those errors.

51. As confirmed by the Board of Auditors, UNMIK has investigated the causes of the errors and discrepancies in the reports generated from the CarLog and Fuel Log systems. It has also implemented measures to prevent future occurrence of such errors. The CarLog errors have been caused by the disconnection of the vehicle battery during the scheduled maintenance time. Although the CarLog should operate on a built-in pack battery in such instances, there was a fault with the electronic pulses causing a malfunction in the trip recorder. The occurrence was not widespread; nevertheless, a script has been designed by the CarLog team, which scans the database hourly and eliminates recording of abnormal data.

Department responsible: Department of Peacekeeping Operations
Status: Implemented
Priority: Medium
Target date: Not applicable

52. In paragraph 197, the Department of Peacekeeping Operations agreed with the Board's recommendation that it impose the appropriate disciplinary measures and consider the scale and effectiveness of the sanctions.

53. The recruitment of a dedicated transport safety officer has placed the Department of Peacekeeping Operations in a better position to plan, coordinate and monitor transport safety related issues in the missions. The Department's efforts, among others, are focused mainly on enforcing the requirements of the Surface Transport Manual Procedures for the Field for the safe operation of United Nations vehicles in a more systematic manner. In this regard, the Department has commenced collaborating with the Department of Safety and Security on improved monitoring of the operators of the United Nations vehicles. The intention is to establish well-trained and equipped traffic enforcement units and to implement more effective safety campaigns with a view to promoting road safety and improving the behaviour of operators of the United Nations vehicles.

Department responsible: Department of Peacekeeping Operations
Status: In progress
Priority: Medium
Target date: Third quarter of 2007

54. In paragraph 206, the Department of Peacekeeping Operations agreed with the Board's reiterated recommendation that it ensure the proper custody, control, recording and disposal of non-expendable property.

55. The year-end inventory report of the United Nations Logistics Base (UNLB) at Brindisi, Italy, on non-expendable property for 2005/06 was in compliance with the

guidelines and instructions issued by the Department of Peacekeeping Operations and the Accounts Division. The value of non-expendable property in the year-end report for 2005/06 was not overstated.

56. UNFICYP has implemented measures to improve the physical controls over its non-expendable equipment and to resolve the discrepancies in the inventory records. The Mission has reminded the self-accounting units of the strict compliance with the requirement regarding the prompt issuance of handover vouchers to support transfer of equipment at all times. Also, the sector logistics officers were reminded of the requirement to submit monthly relocation reports to facilitate the timely update of the Galileo system.

57. The assets of the United Nations Mission in the Sudan (UNMIS) are currently located at over 31 sites throughout the Sudan and in Nairobi, Addis Ababa and Entebbe. The physical verification is an ongoing process and the Mission has verified 80 per cent (38,904 items) of its assets with total value of $172,449,312 as at 30 October 2006. UNMIL has investigated the cases noted by the Board of Auditors and the discrepancies were corrected. Furthermore, the information in the Galileo system is now updated on a routine basis.

58. At UNMEE, the write-off and disposal module has been implemented in the Galileo system and the required training was provided to staff members dealing with property management. The Galileo system is now updated in a timely manner to reflect the accurate status of write-off cases. The relocation of a significant number of administrative staff members to Addis Ababa during December 2005 disrupted the regular meetings of the Local Property Survey Board. The activities of the Local Board have resumed and the backlog of write-off and disposal cases has been considerably reduced.

Department responsible: Department of Peacekeeping Operations
Status: Implemented
Priority: High
Target date: Not applicable

59. **In paragraph 223, the Board recognized that cargo consolidation could be cost-effective. Nevertheless, the Department of Peacekeeping Operations agreed with the Board's recommendation that it reduce shipping time lags so as not to hamper the operations of the recipient field missions.**

60. In addition to the comments provided in paragraph 222 of the Board's report, shipments are actively managed and monitored by the Department of Peacekeeping Operations, the requisitioning mission and UNLB to ensure that materials are available to meet operational requirements in a timely manner.

Department responsible: Department of Peacekeeping Operations
Status: Implemented
Priority: High
Target date: Not applicable

61. **In paragraph 227, the Board recommended that the Department of Peacekeeping Operations comply with the policy directive which stipulated that replenishment action should commence at the time of the release of stocks.**

62. This recommendation is contrary to the provisions of the strategic deployment stocks accounting guidelines. The guidelines require that replenishment process

should start when the required shipping documents are available and the Department has been in strict compliance with this provision.

Department responsible: Department of Peacekeeping Operations
Status: Not accepted
Priority: Medium
Target date: Not applicable

63. **In paragraph 230, the Department of Peacekeeping Operations agreed with the Board's recommendation that it conduct inspections of shipments of strategic deployment stocks within the established time frame.**

64. In addition to the comments provided in paragraph 230, the Department of Peacekeeping Operations is working closely with UNLB to ensure that further reductions are achieved in the lead times of the receipt and inspection process.

Department responsible: Department of Peacekeeping Operations
Status: In progress
Priority: High
Target date: Third quarter of 2007

65. **In paragraph 233, the Department of Peacekeeping Operations agreed with the Board's recommendation that it institute measures to provide an appropriate protection for electric generators to preserve their operational capability.**

66. The Department has initiated the necessary corrective measures to address the most pressing storage and maintenance issues at UNLB. The cost of a comprehensive preservation programme has been included in the proposed budget of UNLB for 2007/08. The full implementation of this recommendation is dependent on the approval of the UNLB budget.

Department responsible: Department of Peacekeeping Operations
Status: In progress
Priority: Medium
Target date: To be determined

67. **In paragraph 240, the Board recommended that the Department of Peacekeeping Operations plan the acquisition of spare parts with due regard to realistic estimates of consumption and fast track the disposal of unserviceable and obsolete items.**

68. In order to coordinate and facilitate the control on the acquisition of spare parts, the Department has requested the missions to submit monthly reports on their stock of spare parts and planned acquisitions. The aim is to reduce the ratios of spare parts holdings to 5 per cent of inventory value for administrative vehicles and 6 to 9 per cent for logistics, specialized, mine protected and armoured vehicles. The Department is working closely with the missions to ensure compliance with the ratios.

Department responsible: Department of Peacekeeping Operations
Status: In progress
Priority: High
Target date: Fourth quarter of 2007

69. **In paragraph 250, the Board reiterated its previous recommendation that the Administration, in collaboration with the relevant missions, expedite the implementation of regional coordination plans that were aligned to the missions' objectives.**

70. The Department reiterates that the plan for regional coordination is not appropriate. Instead, the focus should be on inter-mission cooperation to address cross-border activities. Such inter-mission cooperation is already taking place between MONUC and the United Nations Operation in Burundi (ONUB)/BINUB to address various cross-border issues; MONUC and UNMIS to address cross-border arms trafficking and foreign armed groups; UNMIL and UNAMSIL to address arms control and cross-border issues; and among ONUCI, UNMIL and UNAMSIL/United Nations Integrated Office in Sierra Leone (UNIOSIL) to address arms control, foreign armed groups and cross-border issues. Senior management in these missions also holds regular meetings to ensure systematic information exchange and political interventions to address arms control and other issues which are by definition "cross-border". When and where required, inter-mission plans are developed and implemented for security and logistical support.

Department responsible: Department of Peacekeeping Operations
Status: Not accepted
Priority: High
Target date: Not applicable

71. **In paragraph 253, the Board recommended that the Department of Peacekeeping Operations coordinate with other United Nations agencies and United Nations accredited groups in terms of establishing consultative and collaborative arrangements at the country level, especially the Inter-Agency Procurement Service Office and the Inter-Agency Procurement Working Group, which could contribute to the missions' cost-saving programmes on procurement.**

72. The field missions continue to participate in inter-agency meetings to work together on issues of common interest to both the missions and other United Nations agencies. For example UNMIL actively participates in the regular inter-agency procurement strategy meetings, which are held in Monrovia to deal with common procurement matters of concern to both UNMIL and other United Nations agencies. UNMEE senior leadership has always been in a close coordination with United Nations agencies in both Ethiopia and Eritrea as part of its management strategies and practices. UNOMIG has close cooperation with UNDP and the United Nations Children's Fund (UNICEF). The Mission has increased its coordination and cooperation with other United Nations entities at the country level, especially with the Inter-Agency Procurement Service Office and the Inter-Agency Procurement Working Group to benefit from the activities of those organizations in terms of synergies and economies of scale.

Department responsible: Department of Peacekeeping Operations
Status: Implemented
Priority: High
Target date: Not applicable

73. In paragraph 257, the Administration agreed with the Board's recommendation that it work for the early approval of the memorandum of understanding by and between MINURSO and the Office of the United Nations High Commissioner for Refugees (UNHCR).

74. In addition to the comments provided in paragraph 258 of the report, MINURSO has not formally committed to establishing an inter-agency coordination mechanism complete with appropriate monitoring and evaluation tools. Additionally, in view of the Mission's limited resources and the fact that implementation of the confidence-building measures programme does not, strictly speaking, fall within the mandate of the Mission, the monitoring and evaluating of the programme, albeit in cooperation with UNHCR, would place an extra strain on the Mission's resources and would also require the approval of the General Assembly. At present the Mission is only authorized to provide logistics and administrative support to UNHCR on a reimbursable basis.

Department responsible: Department of Peacekeeping Operations
Status: In progress
Priority: Medium
Target date: Second quarter of 2007

75. In paragraph 294, the Department of Peacekeeping Operations agreed with the Board's recommendation to enforce rations-contract related procedures.

76. At UNMIL, the Administration's decision to terminate the contract and grant piece-meal extensions to the rations contractor thereafter is partly the result of a lack of consistent supply of rations to the troops after June 2006. The contractor's poor performance has been a problem from the inception of the contract. The Department of Peacekeeping Operations established a third-party inspection of the contract in 2000 to assist the Organization to analyse the causes and the extent of the contractor's poor performance. Although there was a moderate improvement in the contractor's performance, it was not sustained.

77. The inclusion of punitive clauses in contracts is not accepted under the contractual law regimes of most jurisdictions. Instead, the party facing the risk of poor performance may include clauses that assign a cost for each failure of performance according to the best estimate of the potential cost of the harm. The new rations contracts include a clause that requires the rations contractor to provide the United Nations with a performance credit up to a percentage of the monthly invoice amount for the failure of the contractor to meet specified acceptable performance levels. This clause is subject to negotiation during the next contract negotiations with the new rations contractors.

78. UNMIL has introduced a new system, effective 14 November 2006, to obtain accurate information on troop strength from contingents to ensure effective control on rations. Other measures include the provision of additional training to food officers with the aim of improving planning and monitoring at the contingent level. Furthermore, the vacant position at the food cell at UNMIL has been filled. A new supply officer with the required rations/food cell experience has joined the Mission effective November 2006.

79. The contract for provision of rations to MINURSO is valid until 31 January 2007, with an extension option to 30 April 2007. The Procurement Service is in the process of finalizing a contract with a vendor that will replace the current local contractor in providing rations to MINURSO.

Department responsible: Department of Peacekeeping Operations
Status: In progress
Priority: Medium
Target date: Second quarter of 2007

80. **In paragraph 298, the Board recommended that, pending the implementation of the electronic system of rations management, the Department of Peacekeeping Operations enforce the submission of semi-annual evaluation reports on the vendors to the Procurement Service.**

81. The Department of Peacekeeping Operations and the Procurement Service have initiated discussions to streamline performance evaluation database. The Department has introduced an electronic rations management system, targeted to be fully operational during the second quarter of 2007. The system would enable the Department to analyse data and determine trends that would provide a more objective basis for contract extensions. Meanwhile, the Department will continue to remind missions of the obligation to submit performance evaluation reports on rations contractors to Headquarters in compliance with established procedures.

Department responsible: Department of Peacekeeping Operations
Status: In progress
Priority: High
Target date: Second quarter of 2007

82. **In paragraph 309, the Department of Peacekeeping Operations agreed with the Board's recommendation that it implement measures to monitor missions in improving training needs assessment and to evaluate the cost-effectiveness of the current mode of training.**

83. The Integrated Training Service of the Department of Peacekeeping Operations is implementing the measures to monitor missions in improving training needs assessment and to evaluate the cost-effectiveness of the current mode of training through a number of measures.

84. At the policy level, the Department approved and issued on 16 March 2006 the Training Strategy for United Nations Peacekeeping Operations 2006-2008. The Department is now working on three new policies: standard operating procedures for recognition of training for United Nations peacekeeping; a policy directive on integrated training in peacekeeping missions; and a policy directive on integrated training for peace operations. The drafts of these three documents are being circulated for comments prior to approval by the senior management of the Department. Once approved, the policies will establish standard procedures in both the Department and field missions.

85. The Integrated Training Service is undertaking a training needs assessment for senior mission leadership in order to ensure that the current training programmes (the senior mission leaders' course and the senior leadership induction programme) targeted at senior mission personnel are meeting the needs of participants and field missions. One staff member will be hired on general temporary assistance to

undertake a training needs assessment for political officers as a first step in the development of a targeted training programme for substantive staff.

86. The integrated mission training centres are the primary vehicles for delivering training in missions. The Integrated Training Service has established a mission support cell at Headquarters to provide daily support to the centres and to missions that have individual training officers or focal points. The centres are responsible for conducting mission specific training needs assessments, with support provided by the Integrated Training Service.

87. The Integrated Training Service is also conducting training evaluations with the first evaluation mission to MINUSTAH beginning in March 2007. Further missions are planned for MONUC and UNMIL in the second quarter of 2007. Mission training officers will also be trained in evaluation methodology which will ensure that level three evaluation skills are in place in all missions.

88. During 2007, the focus for training will increasingly shift to the Integrated Training Service training delivery section, which is being established at UNLB. However, by 2008 a baseline of training data, including costs, will have been established thus providing sufficient information for a meaningful evaluation of training costs.

Department responsible: Department of Peacekeeping Operations
Status: In progress
Priority: Medium
Target date: Third quarter of 2008

89. **In paragraph 311, the Board recommended that the Department of Peacekeeping Operations ensure that missions prepare and implement the succession plans for the filling of key positions in a timely fashion.**

90. The General Assembly considered the Secretary-General's proposal to establish 2,500 civilian career peacekeepers, set out in his report on reforming the Field Service category: investing in meeting the human resources requirements of United Nations peace operations in the twenty-first century (A/61/255/Add.1 and Corr.1). The proposals include the establishment and management of a core of career civilian peacekeepers for United Nations peace operations, to include managed rotation and career development systems that would enable effective succession planning and rapid deployment to missions in the start-up or expansion phase. Under these proposals, the appointments of the 2,500 career peacekeeping staff would not be limited to service at any specific mission and they would be placed in another mission in the event that the mission in which they were serving was downsized or closed. Like the existing Field Service officers, the 2,500 civilian career peacekeepers would be subject to rotation, rapid deployment and mobility from one mission to another. They would be recruited through the regular Secretariat processes, considered an integral part of the regular Secretariat, and developed through training, managed job assignments and career development opportunities. The civilian career peacekeepers would form part of the Department of Peacekeeping Operations staffing. While they would be field-based, they would be eligible for rotation to Headquarters. These arrangements are intended to ensure that the Department is able: (a) to meet minimum, baseline human resources needs; (b) to retain the skills and experience acquired by staff; (c) to respond to rapid deployment requirements and global priorities; and (d) to meet future requirements

for specialists, leaders and managers through training, job assignments and career development.

91. The Department considers a solid and functional succession planning programme an essential aspect to retaining highly qualified staff members. The Department is developing a career development strategy and framework that will be adjusted, as necessary, and implemented upon approval by the General Assembly of the proposals for the establishment of the cadre of the 2,500 peacekeepers. As part of the career development framework that includes pathing models, the Department is also working at addressing the challenges encountered in recruiting and retaining certain profiles and expertise.

92. In its resolution 61/244, the General Assembly noted the proposals of the Secretary-General to provide for peacekeeping staffing on an ongoing basis and to enhance professionalism and the ability of the United Nations to respond quickly to peacekeeping needs by designating a cadre of continuing civilian positions from within existing capacity and requested him to submit to it at the second part of its resumed sixty-first session proposals for the operation of the proposed cadre, taking into account the views and observations of the Advisory Committee on Administrative and Budgetary Questions in paragraphs 70 to 77 of its report (A/61/537).

93. The Department wishes to clarify that of the 491 retirees quoted in paragraph 310 of the report, only 46 retirees (9.4 per cent) relate to field missions administered by the Department.

Department responsible: Department of Peacekeeping Operations
Status: In progress
Priority: Medium
Target date: To be determined

94. **In paragraph 328, the Department of Peacekeeping Operations agreed with the Board's recommendation to comply with the requirements of the Human Resources Handbook relating to letters of appointment, staff pension, health insurance and family allowance, medical insurance premium and overtime.**

95. The Department is aware that in some instances there have been delays in the issuance and signing of letters of appointment. In some circumstances the causes of the delays are beyond the control of the Department and the missions. As an example, in MINUSTAH the delays were attributable to the late notification of the extension of the Mission's mandate, which occurred one day prior to the expiration of the previous mandate, resulting in the Mission's Personnel Section having to issue over 500 letters of appointment within a short period of time. Furthermore, the letters of appointment are issued through the Integrated Management Information System (IMIS), whose response time in the field, as with any system, can be slower because of the network infrastructure for remote users, further hampering the efficient and timely issuance of letters of appointment.

96. The General Assembly having reviewed the findings of the IMIS-enterprise resource planning gap study, endorsed in section II of its resolution 60/283, the Secretariat's proposal to replace IMIS with the enterprise resource planning system. The Secretariat has determined that no modifications will be made to the current tracking of time and attendance modules until the new monitoring system comes

into effect. With over 20,000 authorized field posts as at 30 June 2006 (7,080 international civilian staff posts, and 13,235 national staff posts in field missions), the necessary information technology solutions is required to ensure proper tracking of time and attendance within field mission environments. The Department of Peacekeeping Operations is currently represented within the enterprise resource planning working group. This participation is aimed at ensuring that the requirements of field missions are fully considered in the implementation of enterprise resource planning.

97. As the IMIS system does not respond to the needs of United Nations peace operations in monitoring mission compliance with leave policies and procedures and ensuring that accurate leave records are maintained, the Department is working with the mission management to leverage existing and disparate information technology systems to track time and attendance.

Department responsible: Department of Peacekeeping Operations
Status: In progress
Priority: Medium
Target date: To be determined

98. **In paragraph 332, the Board reiterated its recommendation that the Department expedite the assessment of the impact of using 300-series contracts.**

99. The impact of using 300-series contracts as the primary instrument for the appointment of new mission staff on peacekeeping missions is being addressed in the context of the Secretary-General's human resources reform proposals contained in his reports on investing in the United Nations for a stronger Organization worldwide (A/60/692 and Corr.1) and investing in people (A/61/255 and Add.1 and Add.1/Corr.1). With a view to building a human resources workforce that is able to effectively meet the evolving needs of one global Secretariat, the reform proposals include the introduction of one contractual arrangement for all staff of the Organization, thus eliminating the significant differences in the conditions of service for staff appointed under the different series of staff rules. Additionally, in order to ensure equitable treatment of staff across the United Nations common system, the Secretary-General also proposes the harmonization of the conditions of service between Secretariat staff and staff of the United Nations funds and programmes serving the field. The proposals will be deliberated by the General Assembly during its resumed sixty-first session in June 2007.

Department responsible: Department of Peacekeeping Operations
Status: Implemented
Priority: Medium
Target date: Not applicable

100. **In paragraph 337, the Board recommended that the Department prepare in advance a downsizing plan for phase-down missions.**

101. In addition to the comments provided in paragraph 338 of the report, staff resources of peacekeeping missions are reviewed at least once a year during the budgetary formulation process. In addition, the Office of Mission Support has requested UNOMIG to prepare a plan that should include a list of all of the positions to be abolished. Furthermore, UNOMIG is to conduct a comparative review of staff performing similar functions, to determine those who may be released at the various stages of the downsizing process to reflect operational needs.

The Office of Mission Support will support UNOMIG during the transition and liquidation phases in order to ensure that the Mission retains the capacity and resources necessary to carry out its mandate.

Department responsible: Department of Peacekeeping Operations
Status: In progress
Priority: Medium
Target date: Second quarter of 2007

102. **In paragraph 351, the Department agreed with the Board's recommendation that it review its results-based budgeting framework so that indicators of achievement and output were measurable, specific and time-based.**

103. The Department, in conjunction with the missions, has made significant progress in developing clear and measurable indicators of achievement in the missions' results-based budget framework of 2006/07. Further improvements will be achieved during the preparation of the budget for 2007/08.

Department responsible: Department of Peacekeeping Operations
Status: Implemented
Priority: High
Target date: Not applicable

104. **In paragraph 357, the Department agreed with the Board's recommendation that it: (a) implement in all missions a system to monitor the results-based budgeting information-gathering process; and (b) specify in the mission budget whether the outputs indicated for expected accomplishments related to the specific budget period or whether it related to the actual performance over the period since the output had been identified.**

105. In addition to the comments provided in paragraph 358 of the report, UNMIK advised that the Mission's results-based budgeting focal points and the cost centre managers would be responsible for the gathering of the portfolio of evidence on a determined periodic basis.

Department responsible: Department of Peacekeeping Operations
Status: In progress
Priority: Medium
Target date: Third quarter of 2008

106. **In paragraph 372, the Board recommended that the Department establish a monitoring mechanism to ensure that quick-impact projects were implemented in accordance with the approved budget, terms and conditions, project milestones and performance expectations.**

107. In addition to the comments provided in paragraph 373 of the report, MINUSTAH has embarked on the training of implementing partners especially in the regions to familiarize them with the rules, guidelines and procedures on quick-impact projects as well as on the preparation of project proposals and the development of realistic budgets.

Department responsible: Department of Peacekeeping Operations
Status: In progress
Priority: High
Target date: Second quarter of 2008

III. Implementation of the recommendations contained in the report of the Board of Auditors for which further comments are not required

108. **In paragraph 39, the Board reiterated its previous recommendation that the Administration assess the reasons for the increase in savings and cancellations of prior-year unliquidated obligations and implement appropriate measures to avoid a recurrence.**

Department responsible: Department of Management
Status: In progress
Priority: High
Target date: Third quarter of 2007

109. **In paragraph 57, the Administration agreed with the Board's recommendation that all relevant staff undertake training on the use of the funds monitoring tool.**

Department responsible: Department of Management
Status: In progress
Priority: Medium
Target date: To be determined

110. **In paragraph 61, the Board recommended that the Administration ensure the timely reconciliation of funds monitoring tool with the trial balances and continually send feedback to the Office of Programme Planning, Budget and Accounts in respect of the problems encountered in the implementation of funds monitoring tool with a view to its further enhancement.**

Department responsible: Department of Management
Status: In progress
Priority: Medium
Target date: Second quarter of 2007

111. **In paragraph 140, the Board reiterated its previous recommendation that the Department of Peacekeeping Operations take appropriate measures to reduce the gap between the budgeted and actual flight hours utilized by missions.**

Department responsible: Department of Peacekeeping Operations
Status: Implemented
Priority: High
Target date: Not applicable

112. **In paragraph 145, the Department of Peacekeeping Operations agreed with the Board's recommendation that it conduct an on-site survey and actual assessment visit to the winning vendor before the awarding of a contract to ensure that the technical and operational parameters required were fully complied with.**

Department responsible: Department of Peacekeeping Operations
Status: Implemented
Priority: High
Target date: Not applicable

113. **In paragraph 153, the Board recommended that the Department of Peacekeeping Operations establish the Aviation Safety Council to provide guidance on air safety.**

Department responsible: Department of Peacekeeping Operations
Status: In progress
Priority: Medium
Target date: To be determined

114. **In paragraph 159, the Department of Peacekeeping Operations agreed with the Board's recommendation that the rules on carrying non-United Nations passengers be complied with.**

Department responsible: Department of Peacekeeping Operations
Status: Implemented
Priority: Medium
Target date: Not applicable

115. **In paragraph 168, the Board recommended that the Department of Peacekeeping Operations (a) take urgent steps to recover overpayment, (b) report errors to the Fuel Log manufacturers and (c) test back-up procedures.**

Department responsible: Department of Peacekeeping Operations
Status: In progress
Priority: High
Target date: Fourth quarter of 2007

116. **In paragraph 177, the Board recommended that the Department of Peacekeeping Operations monitor maintenance costs, specifically for older vehicles with high mileage, when considering replacements.**

Department responsible: Department of Peacekeeping Operations
Status: In progress
Priority: Medium
Target date: Third quarter of 2007

117. **In paragraph 180, the Board recommended that the Department of Peacekeeping Operations address the training needs and the technical issues relating to CarLog system implementation.**

Department responsible: Department of Peacekeeping Operations
Status: In progress
Priority: Medium
Target date: Third quarter of 2007

118. **In paragraph 189, the Board recommended that the Administration review and assess the effectiveness of its policies and guidelines on the use of United Nations vehicles.**

Department responsible: Department of Peacekeeping Operations
Status: Implemented
Priority: High
Target date: Not applicable

119. **In paragraph 212, the Board recommended that the Administration expedite the approval of write-off and disposals of non-expendable property that meet the criteria for such action.**

Department responsible: Department of Peacekeeping Operations
Status: In progress
Priority: High
Target date: Fourth quarter of 2007

120. **In paragraph 214, the Board recommended that the Department of Peacekeeping Operations revisit the delegations of authority for the purpose of aligning limits with current situations and study the possibility of setting up a Headquarters Property Board within the Department to expedite processes on approval of write-offs and disposals.**

Departments responsible: Department of Management and Department of Peacekeeping Operations
Status: In progress
Priority: Medium
Target date: To be determined

121. **In paragraph 218, the Department of Peacekeeping Operations agreed with the Board's reiterated recommendation that the Administration continue to improve the timely finalization of the memorandums of understanding.**

Department responsible: Department of Peacekeeping Operations
Status: Implemented
Priority: Medium
Target date: Not applicable

122. **In paragraph 236, the Department of Peacekeeping Operations agreed with the Board's recommendation that the Department monitor stock levels of expendable equipment by establishing and maintaining minimum and maximum stock quantities.**

Department responsible: Department of Peacekeeping Operations
Status: In progress
Priority: Medium
Target date: Second quarter of 2007

123. **In paragraph 281, the Board recommended that the Administration reassess the apportionment of amounts allocated to the support account to optimize the use of such funds.**

Department responsible: Department of Management
Status: Not accepted
Priority: High
Target date: Not applicable

124. **In paragraph 285, the Board recommended that the Administration use the full set of criteria for posts necessary for providing backstopping to peacekeeping operations.**

Department responsible: Department of Management
Status: In progress
Priority: High
Target date: Third quarter of 2007

125. **In paragraph 290, the Board recommended that the Administration ensure that job descriptions and workplans provide adequate, clear/specific, consistent and updated information to facilitate review and verification of the use of posts as intended.**

Department responsible: Department of Management
Status: In progress
Priority: Medium
Target date: Second quarter of 2007

126. **In paragraph 303, the Department of Peacekeeping Operations agreed with the Board's recommendation that it implement a comprehensive human resources plan in order to attract and retain the best qualified and most experienced staff members.**

Department responsible: Department of Peacekeeping Operations
Status: In progress
Priority: High
Target date: Third quarter of 2008

127. **In paragraph 317, the Department of Peacekeeping Operations agreed with the Board's recommendation to improve the gender distribution of staff in the missions.**

Department responsible: Department of Peacekeeping Operations
Status: In progress
Priority: Medium
Target date: Third quarter of 2008

128. **In paragraph 325, the Board recommended that the Department of Peacekeeping Operations continue its efforts to fill vacant posts in a timely manner through an improved outreach to qualified candidates and networking with Member States, peacekeeping partners and other organizations.**

Department responsible: Department of Peacekeeping Operations
Status: In progress
Priority: High
Target date: To be determined

129. **In paragraph 360, the Department of Peacekeeping Operations agreed with the Board's recommendation that it re-evaluate the budgets for the purchase of printers, taking into account the target printer-to-desktop ratio of 1:4.**

Department responsible: Department of Peacekeeping Operations
Status: Implemented
Priority: Medium
Target date: Not applicable

130. **In paragraph 364, the Department of Peacekeeping Operations agreed with the Board's recommendation that it plan for an adequate structure that would serve as the central satellite hub for all peacekeeping operations.**

Department responsible: Department of Peacekeeping Operations
Status: In progress
Priority: High
Target date: To be determined

IV. Implementation of recommendations contained in the report of the Board of Auditors on the accounts of the United Nations peacekeeping operations for the financial period ended 30 June 2005

131. In paragraph 8 of General Assembly resolution 60/234 B, the Secretary-General was requested to provide, in the next report on the implementation of the recommendations of the Board of Auditors concerning the United Nations peacekeeping operations, a full explanation for delays in implementation of the recommendations of the Board for the period ended 30 June 2005 or the prior periods.

132. In annex II to its report for 2005/06,[3] the Board indicated that of the 72 recommendations issued for the financial period ended 30 June 2005, 25 had been implemented, 44 were under implementation and 3 had not been implemented. Of the 47 recommendations that the Board reported as not having been fully implemented, information is provided below on recommendations that were: (a) considered implemented by the Administration; (b) targeted for implementation during 2006; and (c) not accepted.

133. **In paragraph 35 of its report for 2004/05,[4] the Board recommended that the Administration assess the reasons for the increase in savings and cancellations of prior-year unliquidated obligations and implement measures to address the shortcomings.**

134. The Administration notes that as acknowledged by the Board in paragraph 38 of its report for 2005/06, the high level of closure of obligations in fiscal 2006 is by itself indicative that the Administration is taking the appropriate actions. Progress continues to be made and results will be further evident when the financial statements for 2006/07 are finalized in the third quarter of 2007.

Department responsible: Department of Management
Status: In progress
Priority: Medium
Target date: Third quarter of 2007

135. **In paragraph 41 of its report for 2004/05, the Board remained of the view that the clearance of the long-outstanding amounts with respect to unpaid assessments would be possible only with the intervention of the Member States concerned.**

136. The Administration notes that the Board remains of the view that implementation would be possible only with the intervention of the Member States concerned. The Administration has regularly provided the Member States with information on their outstanding assessments and urged prompt settlement. Therefore, the Administration has implemented measures within its purview for settlement of their long-outstanding amounts.

Department responsible: Department of Management
Status: Implemented
Priority: Medium
Target date: Not applicable

[3] Ibid., *Sixty-first Session, Supplement No. 5* (A/61/5), vol. II, chap. II.
[4] Ibid., *Sixtieth Session, Supplement No. 5* (A/60/5), vol. II, chap. II.

137. **In paragraph 44 of its report for 2004/05, the Board reiterated its view that the clearance of the long-outstanding amounts with respect to voluntary contributions would be possible only with the intervention of the Member States concerned.**

138. In April 2006, the Administration renewed to the Member States concerned the requests for offsetting outstanding pledged voluntary contributions against the amounts due to them.

Department responsible: Department of Management
Status: Implemented
Priority: Medium
Target date: Not applicable

139. **In paragraph 82 of its report for 2004/05, the Board reiterated its recommendation that the Administration, in consultation with the peacekeeping missions, analyse the pre-qualification requirements for registering prospective local vendors in the context of the difficulties being experienced and with a view to considering alternative compensating controls for registering those local vendors where goods or services were required urgently.**

140. An analysis of the various factors that affect pre-qualification requirements for registration of vendors in the field has been completed and alternatives have been developed. Coordination is under way with the United Nations Global Marketplace, the Inter-Agency Procurement Working Group and the Department of Peacekeeping Operations to streamline the process and implement new procedures. It is expected that the revised procedures will be completed by the end of 2007.

Department responsible: Department of Management
Status: In progress
Priority: Medium
Target date: Fourth quarter of 2007

141. **In paragraph 101 of its report for 2004/05, the Board recommended that the Administration determine the underlying causes for the high vacancy rates in the procurement sections at some of the missions and initiate an appropriate action plan to reduce them to acceptable levels.**

142. United Nations peacekeeping has experienced great difficulty in the recruitment and retention of sufficient numbers of highly qualified and high performing procurement staff with, in particular, direct United Nations procurement experience. Mission management is increasingly hesitant to select technically cleared candidates for procurement positions if they do not possess strong United Nations peacekeeping procurement experience. At the same time, the Department of Management is obliged to technically clear or designate only those candidates that possess the required procurement experience. Serving procurement staff are increasingly expressing reluctance to continue performing procurement functions. Developments related to the oil-for-food investigations and recent procurement audits have exacerbated an already difficult recruitment and retention situation.

143. Given the understandable reluctance of missions in the current environment to recruit candidates who do not possess peacekeeping experience, the Department of Peacekeeping Operations is identifying the most promising among these rostered candidates for intensive, pre-deployment training in coordination with the Office of

Human Resources Management and the Procurement Service, in the light of the authority of the Department of Management to technically clear and designate procurement staff. Concerted efforts have resulted in bringing the number of international civilian vacancies in procurement to 33 out of a total 153 international civilian posts authorized, representing a 22 per cent vacancy rate as at 31 December 2006. The Department of Peacekeeping Operations has recruited a group of 10 highly qualified external procurement professionals through the competitive selection process. The provision of intensive training in United Nations procurement policies and procedures prior to their deployment to the missions was conducted at Headquarters and UNLB from 15 January to 9 March 2007. The primary objective of this exercise was to increase the procurement capacity in the field with individuals who bring technical expertise to the Organization, as well as those who would be fully operational with a solid grasp of United Nations procurement rules, policies and procedures upon arrival in the mission area.

Department responsible: Department of Peacekeeping Operations
Status: Implemented
Priority: Medium
Target date: Not applicable

144. **In paragraph 105 of its report for 2004/05, the Board recommends that the Administration expedite the filling at peacekeeping missions of key vacant positions, such as Chief Procurement Officer.**

145. See the comments provided in paragraphs 90 to 92 above in response to the Board's recommendation contained in paragraph 311 of its report for 2005/06. The implementation of this recommendation is dependent on the approval by the General Assembly of proposals for the establishment of a cadre of 2,500 peacekeepers.

Department responsible: Department of Peacekeeping Operations
Status: In progress
Priority: Medium
Target date: To be determined

146. **In paragraph 115 of its report for 2004/05, the Board reiterated its previous recommendation that the Department of Peacekeeping Operations enforce the use of a procurement plan as a tool to facilitate effective and efficient procurement management.**

Department responsible: Department of Peacekeeping Operations
Status: Implemented
Priority: High
Target date: Not applicable

147. **In paragraph 171 of the Board's report for 2004/05, the Department of Peacekeeping Operations agreed with the Board's recommendation that it implement measures to ensure that the technical compliance and inspection/performance evaluations were performed at all missions to ensure the carriers' compliance with aviation and safety requirements.**

148. Field missions are current in the periodic submission of performance evaluation reports to Headquarters. The delay noted with UNMIS occurred during the start-up phase of the Mission and has since been corrected.

Department responsible: Department of Peacekeeping Operations
Status: Implemented
Priority: Medium
Target date: Not applicable

149. **In paragraph 174 of its report for 2004/05, the Board recommended that the Department of Peacekeeping Operations maintain a database of all aviation inspection/performance reports and follow up on the outstanding reports.**

150. See the comments provided in paragraph 44 above in response to the Board's recommendation contained in paragraph 150 of its report for 2005/06.

Department responsible: Department of Peacekeeping Operations
Status: Implemented
Priority: Medium
Target date: Not applicable

151. **In paragraph 193 of its report for 2004/05, the Board reiterated its previous recommendation that MONUC undertake and document a cost-benefit analysis to contribute to the justification of the need for executive jets.**

152. See the comments provided in paragraph 46 above in response to the Board's recommendation contained in paragraph 162 of its report for 2005/06.

Department responsible: Department of Peacekeeping Operations
Status: In progress
Priority: High
Target date: Second quarter of 2007

153. **In paragraph 207 of its report for 2004/05, the Board recommended that the Department of Peacekeeping Operations reinforce the implementation of the rotation policy at peacekeeping missions where vehicles within the same categories were rotated to optimize efficiency and utility.**

154. See the comments provided in paragraphs 48 and 49 above in response to the Board's recommendation contained in paragraph 172 of its report for 2005/06.

Department responsible: Department of Peacekeeping Operations
Status: Implemented
Priority: High
Target date: Not applicable

155. **In paragraph 214 of the Board's report for 2004/05, the Department of Peacekeeping Operations agreed with the Board's recommendation to investigate the cause of the errors/discrepancies contained in the vehicle usage reports and to implement the necessary measures to rectify those errors.**

156. The errors noted by the Board in its report on peacekeeping operations for 2004/05 have been rectified. The missions concerned (UNMIL and UNOMIG) have

provided the necessary training to staff of the Transport Section in order to prevent future occurrences of the problem.

Department responsible: Department of Peacekeeping Operations
Status: Implemented
Priority: Medium
Target date: Not applicable

157. **In paragraph 249 of its report for 2004/05, the Board recommends that UNLB, in consultation with the Department of Peacekeeping Operations, develop suitable operating procedures, in line with good practices, to expedite the receiving and inspection process.**

158. The Property Management Manual for United Nations Peacekeeping Missions was approved and promulgated for field missions and UNLB in November 2006. Chapter 4 of the Manual contains detailed guidance and procedures on receiving and inspection. UNLB has confirmed that it is in compliance with the provisions of the receiving and inspection procedures contained in the Manual.

Department responsible: Department of Peacekeeping Operations
Status: Implemented
Priority: Medium
Target date: Not applicable

159. **In paragraph 289 of its report for 2004/05, the Board recommended that the Department of Peacekeeping Operations, in collaboration with the relevant peacekeeping missions, develop and implement regional coordination plans aligned to the missions' objectives.**

160. See the comments provided in paragraph 70 above in response to the Board's recommendation contained in paragraph 250 of its report for 2005/06.

Department responsible: Department of Peacekeeping Operations
Status: Not accepted
Priority: Medium
Target date: Not applicable

161. **In paragraph 315 of its report for 2004/05, the Board recommended that the Administration continue to refine and roll out the performance standards and indicators for rations vendor evaluations to all missions where they had not yet been implemented.**

162. The Department of Peacekeeping Operations has reviewed and refined the performance standards and indicators for rations contracts. The Administration has included the refined performance standards and indicators in all existing rations contracts. The two missions (UNAMSIL and UNMISET) that did not have those standards in their contracts had been liquidated as at 31 December 2005.

Department responsible: Department of Peacekeeping Operations
Status: Implemented
Priority: Medium
Target date: Not applicable

163. **In paragraph 326 of its report for 2004/05, the Board recommended that the Administration implement and enforce procedures to ensure the proper management of rations.**

164. The Administration has included more robust provisions in its food rations contracts to deal with contractor poor performance, especially in the areas of quality, timeliness and compliance with specifications. The Department of Peacekeeping Operations has reinforced monthly performance meetings and follow-up and monitoring mechanism whereby the Department collects information on a monthly basis on issues arising in the operation of rations contracts in the field missions. The lessons learned from such monitoring mechanism are incorporated in the draft rations management manual for the guidance of the missions.

165. Training in the implementation of the new United Nations rations scale and client menu planning has been strengthened with Headquarters staff visits to field missions to conduct train-the-trainer programmes and the conduct of biannual technical workshops on rations. Furthermore, global performance meetings on rations sponsored jointly by the Department of Peacekeeping Operations and the Department of Management are scheduled for mid-2007. The meetings, to be attended by field mission ration representatives and contractors, are aimed at standardizing procedures, disseminating best practices, identifying potential problems and facilitating their resolution.

166. The Department of Peacekeeping Operations is purchasing an off-the-shelf electronic rations management system to be made available to all missions. The system will allow for an enhanced and timely oversight of the rations supply chain, tracking contingent and contractor stocks, and identifying and resolving problems more quickly. It will also free staff to conduct frequent evaluations of contractors' performance and deliveries, packaging, storage and temperature-control of rations. Although the Department-projected timeline for operational activation of the system was set for June 2006, organizational resource constraints have impacted on the ability to meet the original timeline. The Department anticipates that the project will be at the prototype stage by December 2007, and the introduction to field missions is planned for 2008/09.

Department responsible: Department of Peacekeeping Operations
Status: In progress
Priority: High
Target date: Second quarter of 2009

167. **In paragraph 335 of its report for 2004/05, the Board recommended that the Administration monitor missions' compliance with leave policies and procedures and ensure that accurate leave records were maintained.**

168. The functionality for payments of the mission subsistence allowance is not currently available in IMIS. As mission subsistence allowance amounts are determined based on calculations reflecting the number of days staff members are present in the mission area, field missions frequently track time and attendance and maintain leave records through alternative systems (such as the Matrix system — designed in the field to facilitate the tracking of time and attendance and automate the necessary calculation, processing and tracking of mission subsistence allowance payments).

169. The above notwithstanding, the Department of Peacekeeping Operations continues to provide close guidance to the missions. The Department has allocated dedicated resources to support training, user support and policy guidance for the missions.

Departments responsible: Department of Peacekeeping Operations and Department of Management
Status: In progress
Priority: High
Target date: To be determined

170. **In paragraph 345 of its report for 2004/05, the Board reiterated its recommendation that the Administration evaluate the effectiveness of training for both the individual and the organization.**

171. The Department of Peacekeeping Operations training units, both from Headquarters and in the field, regularly carry out lower-level evaluation of mission training. Level three evaluation methodologies have recently been successfully tested in the field and these methodologies are being distributed to trainers in the field. The Integrated Training Service of the Department is assisting missions to implement this evaluation process.

Department responsible: Department of Peacekeeping Operations
Status: Implemented
Priority: Medium
Target date: Not applicable

172. **In paragraph 367 of the Board's report for 2004/05, the Department agreed with the Board's recommendation to assess the impact of using 300-series contracts as the primary instrument for the appointment of new mission staff on peacekeeping missions.**

173. See the comments provided in paragraph 99 above in response to the Board's recommendation contained in paragraph 332 of its report for 2005/06.

Department responsible: Department of Peacekeeping Operations
Status: Implemented
Priority: Medium
Target date: Not applicable

174. **In paragraph 374 of the Board's report for 2004/05, the Administration agreed with the Board's recommendation that it promptly implement the Office of Internal Oversight Services recommendations and assess the impact of having implemented the recommendations.**

175. The Department of Peacekeeping Operations has established additional conduct and discipline teams in 10 missions (UNMIK, United Nations Assistance Mission in Afghanistan, UNMOGIP, UNFICYP, United Nations Truce Supervision Organization, United Nations Special Coordinator in the Occupied Territories, United Nations Disengagement Observer Force, United Nations Interim Force in Lebanon, MINURSO and UNOMIG). The roles of the teams have been institutionalized in the terms of reference and include receiving, recording and assessing of misconduct allegations and following up on action taken by United Nations entities and Member States on investigated cases. The teams, in consultation with the missions, have assessed the impact of the implementation of

the recommendations of the Office of Internal Oversight Services and the Board of Auditors and have prepared a trend analysis report on the mechanism implemented to address misconduct cases, which was submitted to the senior management of the Department in February 2007. The lessons learned from the analyses, in particular, relating to fraud and presumptive fraud, were circulated to the missions and also placed in the community of practice network in February 2007.

Department responsible: Department of Peacekeeping Operations
Status: Implemented
Priority: Medium
Target date: Not applicable

176. **In paragraph 385 of its report for 2005/06, the Board recommends that the Office of Internal Oversight Services refine its basis for allocating resources for the audit of peacekeeping missions.**

177. In the report on the comprehensive review of governance and oversight within the United Nations and its funds, programmes and specialized agencies (A/60/883/Add.2), dated 28 August 2006, proposals were made to establish an Office of Internal Oversight Services budget on a risk basis. This proposal was endorsed by the Advisory Committee on Administrative and Budgetary Questions (A/61/605), with the recommendation that the Secretary-General be requested to prepare a proposal for a new funding mechanism for the Office of Internal Oversight Services, drawing upon experience gained in cost-sharing mechanisms currently in place. The report, to be prepared by the Controller's Office in cooperation with the Office of Internal Oversight Services, will be submitted to the General Assembly during the first resumed part of its sixty-first session in March 2007.

Department responsible: Office of Internal Oversight Services
Status: In progress
Priority: Medium
Target date: Second quarter of 2007

178. **In paragraph 411 of its report for 2004/05, the Board reiterated its previous recommendation that peacekeeping missions compile a portfolio of evidence to substantiate the actual accomplishments recorded in the performance reports.**

179. MINUSTAH, UNMIL, UNMIS and UNOCI have established mechanisms to compile a portfolio of evidence. In addition, the Department of Peacekeeping Operations, at a workshop held in Cairo in July 2006 for directors and chiefs of administration, stressed the importance of the effective monitoring of the validation procedures to ensure the accuracy and completeness of the portfolio of evidence supporting the performance reports.

Department responsible: Department of Peacekeeping Operations
Status: Implemented
Priority: Medium
Target date: Not applicable

180. **In paragraph 414 of its report for 2004/05, the Board reiterated its previous recommendation that resident auditors at missions conduct reviews of the portfolio of evidence supporting results, on a test basis, to ensure the**

accuracy and completeness of the performance reports, thereby increasing their credibility.

181. The recommended reviews were conducted in three missions (UNMIL, UNOCI and UNMIK), and one additional review is currently ongoing (MINUSTAH). The Office of Internal Oversight Services therefore considers this recommendation as implemented.

Department responsible: Office of Internal Oversight Services
Status: Implemented
Priority: Medium
Target date: Not applicable